

Abstract of the Disclosure

SYSTEM AND METHOD FOR DETERMINING A WARRANTY PRICE

A computer based system and method determines a price associated a warranty for equipment in a transaction. The system includes a database for storing a set of actuarial data and a controller coupled to the database. The system and method receive input from a user, responsively establish an identifier associated with the equipment, receive a first set of warranty characteristics and determine a baseline premium based on the identifier and the set of warranty characteristics. Additionally, the system and method establish a second set of warranty characteristics, determine at least one modifier as a function of the second set of warranty of characteristics, and modify the baseline premium as a function of the at least one modifier to determine the warranty price.